

FOR CLERK USE ONLY	
City Council	
Item No. 5	

CITY COUNCIL OF THE CITY OF CALEXICO FACT SHEET

City Ma	nager				3-Aug-10
	Department				Requested Date
1.	Request:				
	City Counc	il approval	X	Information Only/ Presentation	
	Other (spe			Hearing	
_		City)	ш	nearing	
2.	Requested Action:	0 0:: 1			
	off permanent part-ti			tract services/consider reii	nstatement of recently laid
	on permanent part-t	ine employ	/CC3		
3.					
ð.					
		Decrease		Amount:	
	Cost:	Increase	X	Source:	General Fund
		Decrease	<u></u>	Amount:	\$267,000.00
	Doc			Unknown at this time	, , , , , , , , , , , , , , , , , , , ,
	DOE	es Not Appl	УЩ	Olikilowii at tilis tilile	
4.	Reviewed By:				
	Finance Dept. on			By:	
	Comments				
	City Attorney on			By:	
	Comments	:	 	· · · · · · · · · · · · · · · · · · ·	
	· · · · ·				
	Note: Back up must be submitted	along with this	form. De	adline is 5:00 p.m., 2 Fridays before i	the scheduled meeting date.
LERK U	SE ONLY:				
	CITY COUNCIL DATE:				
	Action			Filing	
	Consent		一	Presentation	
	Hearing			Other(specify)	
Review	wed by: City Clerk			City Manager	
Neviev	Date			Date	

CITY COUNCIL AGENDA REPORT

SUBJECT: CONSIDER TERMINATING ON-SITE LABOR CONTRACT SERVICES/ CONSIDER REINSTATEMENT OF RECENTLY LAID OFF PERMANENT PART-TIME EMPLOYEES

AGENDA DATE: August 3, 2010

PREPARED BY: Victor Carrillo, City Manager (at the request of Councilman Hodge)

Armando Villa, Assistant City Manager

Judy Hashem, Finance Director

Rosalind Guerrero, Human Resources Director

APPROVED FOR AGENDA BY: Victor Carrillo, City Manager

RECOMMENDATION:

Discuss issue. Depending upon the wishes of the City Council, provide direction to staff.

FISCAL IMPACT: The current cost of the On-Site Labor contractual services agreement is approximately \$313,000 per year. Included in the contract are services provided to both general fund and non-general fund departments. Of the total amount, \$66,000 pays for services to the general fund departments.

The permanent part-time employees on City payroll reflect a budget cost for FY 2010-11 of \$388,000, of which the general fund portion is \$333,000.

The increase in general fund cost to eliminate the Onsite Labor contract (3 individuals) and retain the permanent part-time employees (10 individuals) is \$267,000 (permanent part-time salaries and benefits of \$333,000 – On-Site Labor savings of \$66,000 = \$267,000).

The non-general fund departments, Water, Wastewater, and Airport, would realize a savings from the termination of the On-Site Labor contract, but retaining the permanent part-time employee in RDA would increase the Agency's housing budget.

BACKGROUND: At the Council meeting of July 20, 2010, Councilman Hodge requested that an agenda item be presented on August 3 to discuss the On-Site Labor contract services.

The City currently has two contracts with On-Site Labor for temporary labor services. The persons provided by On-Site Labor are not City employees. One contract is specifically to provide for crossing guard services. The crossing guard contract expires on August 15, 2010 and the City intends to terminate that contract because the Calexico Unified School District will now contract for the crossing guard services.

The second contract is for other temporary labor services. The contract term expired on February 27, 2010 and is currently in a month-to-month status, terminable upon 30 days notice. Under this contract, the City currently has the following temporary contract services: 3 office assistants in the Development Services Department; 4 laborers at the Water Plant; 3 fuel linemen at the Airport; 2 laborers at the Wastewater Plant; and 1 office assistant at the Wastewater Plant.

DISCUSSION (Current consideration): On July 2, 2010, the City Council approved an emergency declaration (Resolution 10-74) and a proposal to balance the General Fund budget which included the layoffs of all temporary, probationary, limited term and permanent part-time City *employees*. Pursuant to that action, the City immediately issued lay-off notices to the affected employees on July 13, 2010. Permanent Part Time employees were issued a 30 day lay-off notice on July 13, 2010 with the date of August 12, 2010 the last day of work. Meet and confer sessions related to the impacts of the layoffs are ongoing. The contract with On-Site Labor and services there under were not affected as the services provided by On-Site Labor do not include City employees.

The current cost per year of the On-Site Labor Contract is approximately \$313,000 for both general fund and non-general fund departments. Of the \$313,000, the general fund cost is \$66,000.

Total salaries and benefits for payroll related costs for the permanent part-time employees for fiscal year 2010-2011 is approximately \$388,000, of which \$333,000 is the cost to the general fund, composed of 10 employees. Eliminating the On-Site Labor Contract would generate a savings of \$66,000 to the general fund; however, there would be a shortfall of \$267,000 to the general fund to retain the permanent part-time employees.

The City may consider the following:

Termination of services under the On-Site Labor contract. If Council desires to terminate all or a portion of the services, Council can direct the City Manager to accomplish the necessary process to terminate the services.

Council may consider reinstatement of the permanent part-time employees that were issued 30-day layoff notices off in early July pursuant to Resolution 10-74. If Council wishes to do this, an amendment to the General Fund proposal to balance will likely need to be done, and Council should provide direction about which positions should be reinstated.

STAFF RECOMMENDATION:

The termination of the On-Site Labor contract will generate an additional <u>savings</u> to the General Fund of approximately \$66,000. The reinstatement of permanent part-time positions will <u>increase</u> the General Fund shortfall in the approximate amount of \$267,000 at June 30, 2011. Departments that necessitate filling vacant positions should request Council's approval to fill a vacancy. This will allow the department to provide information on the resources to be used to fund the position and assist the Council's in review on a case by case basis.

Staff recommends the following:

- 1. Terminate On Site Contract;
- 2. Permanent part-time positions not be reinstated;
- 3. Filling of vacancies to be filled on a case by case basis with approval of the City Council.

Should the Council not accept staff's recommendation, we respectfully request direction to staff to: (1) terminate services under On-Site Labor contract, (2) authorize reinstatement of permanent part-time employees, and/or (3) revise proposal to balance the Fiscal Year 2010-2011 budget accordingly.

Attachments:

- 1. On-Site Labor Contracts (crossing guard and other labor)
- 2. Resolution 10-74
- 3. Listing of permanent part time positions

ı

On-Site Labor Contracts



August 13, 2009

Robert Herrera OnSite Labor, Inc. EPS, Inc. P.O. Box 3082 Calexico, Ca. 92232

Victor M. Carrillo 608 Heber Avenue Calexico, Ca. 92231

Mr. Victor Carrillo,

On behalf of EPS, Inc. and On-Site Labor, Inc. I am requesting that the city accept my assignment of agreement executed 0n 02/17,09 between the City and EPS, Inc. under section 12.3 of such Agreement, (a copy of the agree is attached hereto as Exibit A). On behalf of EPS, Inc. I assign all rights, obligations, and responsibilities of the Agreement on to On-Site Labor, Inc. On behalf of On-Site Labor, Inc., I accept all rights, obligations, and responsibilities of the Agreement and hereby agree to be bound to such Agreements as if I were the original contracting party. I am authorized to act on behalf of both EPS, Inc. and On-Site Labor, Inc. as evidence by the (si200 form as well as by the resolution dated August 13, 2009) attached hereto as Exhibit B and C.

Respectfully.

Robert A Herrera President/CEO

On-Site Labor, Inc. a California corporation

BOARD RESOLUTION UPON WAIVER & UNANIMOUS CONSENT August 13, 2009

Upon motion duly made, seconded and unanimously passed, the Board of Directors makes the following resolution:

RESOLVED that the officers of On-Site Labor, Inc. are authorized to assume all rights and liabilities of all existing contracts executed between the City of Calexico and Employment Partnering Services, Inc. by the terms, covenants and conditions contained in such contracts without modification.

BE IT FURTHER RESOLVED that On-Site Labor assumes all responsibility for such assumption and agrees to hold the City of Calexico harmless and defend any action filed by Employment Partnering Services, Inc. or its shareholders, officers, directors, employees, creditors or assigns or from any other third party.

Dated: August 13, 2009

Robert Herrera, Charrman & Sole Director

DIRECTOR WAIVER OF NOTICE & CONSENT

[Corp. Code § 307 (b)]

I, the undersigned, being the duly elected Director of On-Site Labor, Inc., a California corporation, hereby waive notice and give consent to the above Resolution and by this document hereby adopt the above Resolution as the official action and record of action taken.

Dated: August 13, 2009		
	Robert Herrera, Chairman & Sole Director	
ATTEST:		
Robert Herrera/Secretary	[SEAL]	

EMPLOYM. PARTNERING SER & CES, INC.

a California Corporation EMPLOYMENT SERVICES AGREEMENT

This Agreement, (AAgreement@), consisting of four pages, is effective on the date executed below and is made between EMPLOYMENT PARTNERING SERVICES., Inc., a California corporation, hereinafter referred to as EPS, and the City of Calexico, a public municipality, herein referred to as AClient@ or ACity@, collectively referred to as the AParties@ consists of the following terms and conditions pertaining to the acceptance by Client of temporary and/or leased employees furnished by EPS as set forth herein in Addendum A1":

1. <u>TERM OF AGREEMENT</u>. The initial term of this agreement shall be for <u>36</u> months. Thereafter, unless a new term is agreed to, this Agreement shall remain in effect from month to month, terminable on 30 days written notice by Client or EPS except in case of a Amaterial breach@ as described below.

2. FEES.

2.1. Client shall pay EPS fees as initially specified in this Agreement and as may subsequently be modified in writing. The fees are initially specified as a designated amount per hour based on a fee schedule which may change from time to time to reflect changing economic conditions and which will vary in accordance with the classification of employee provided. The initial fees for the classification of employees specified below are as follow:

Job Classification Hourly Fee Overtime Holiday

General Labor Crossing Guard @ 53% above pay rate (.25 cent pay increase)

See Schedule Attached as Addendum A1"

- 2.2. These fees include total gross employee remuneration, all employer-paid payroll taxes, workers compensation insurance, group life and medical and dental benefits if applicable, pension benefits if applicable, and all employers-paid payroll-related costs.
- 2.3. Unless otherwise agreed to in writing, fees shall be paid to EPS no later than the day the payroll is due, normally on Fridays of each week. EPS shall notify Client at least seven (7) days in advance if due date is otherwise. In no event shall fees be paid later than one week after the close of each pay period owed. Following this grace period of one week, non-payment shall be deemed a material breach and be subject to the services charges and remedies agreed to below. Habitual lateness in payments more than twice during the period of this Agreement shall be deemed a material breach.

3. INSURANCE.

- **3.1.** Employment Partnering Services, shall furnish and keep in full force and affect during the term of this Agreement workers= compensation insurance covering all employees filing Client job positions under the terms of this Agreement. EPS shall cause a certificate of insurance to be issued naming Client a certificate holder.
- 3.2. If any EPS employee is to drive a vehicle of any kind for Client, Client shall furnish liability insurance. The policy shall insure against public liability for bodily injury and property damage with the minimum combined single limit (CSL) \$1,000,000 and uninsured motorist insurance with a minimum CSL of \$1,000,000. In states where no@fault@ insurance laws apply. Personal Insurance Protection (PIP) or equivalent coverage shall apply. Client shall cause its insurance carrier to issue a certificate of insurance naming EPS as additional insured, allowing not less than 30 days advance notice of cancellation or material change.
- 3.3. Client agrees to keep in full force and effect at all times during the term of this Agreement a comprehensive general liability insurance policy in the minimum amount of \$2,000,000 CSL insuring Client against bodily injury and property damage liability cause by Client=s premises, operations, completed operations, and/or products, Said policy shall also include blanket contractual liability and personal injury liability. Client shall provide EPS with a certificate of insurance evidencing such coverages, said certificate to provide 30 days notice in the event of cancellation of coverage.
- 3.4. Each party hereby waives any claim in its favor against the other party by way of subrogation or otherwise which arises during the initial or extended term of this Agreement for any and all loss or damage to any of its property which loss or damage is covered by policies of insurance. To the maximum extent permitted by insurance policies which may be owned by EPS and Client, EPS or Client, for the benefit of each other, each party shall waive any and all right of subrogation which might otherwise exist.
- 3.5 EPS agrees to keep in full force and effect, during any and all performance of this Agreement, all applicable insurance to cover personal injury, bodily injury and property damage, providing coverage to a combined single limit of \$2 million per occurrence, subject to an annual aggregate of \$2 million for general liability, completed operations and personal injury other than bodily injury. Contractual liability shall include coverage of tort liability of another party to pay for bodily injury or property damage to a third person or organization. Contractual liability limitation endorsement is not acceptable. The policy cannot be canceled,

EMPLOYMI PARTNERING SER FES, INC.

a California Corporation EMPLOYMENT SERVICES AGREEMENT

non renewed or materially changed except after thirty calendar days prior written notice by EPS to the Client by certified mail, as reflected in an endorsement which shall be submitted to the Client except for non-payment of premium, in which case ten (10) days notice will be provided. EPS shall provide Client with a certificate of insurance.

4. ADMINISTRATION.

- **4.1.** EPServices and Client agree that EPS is an independent contractor, not an agent of Client, and the employees provided by EPS to Client are employees of EPS. EPS is responsible for payment of employer federal, state and local taxes, those various employee benefits which may be specified, and all required federal, state and local employee payments or withholding from wages. Employment Partnering Services will not be responsible for Client=s loss of profits, business goodwill, or consequential, special, or incidental damages.
- **4.2**. EPS has sole responsibility for recruiting, hiring, training, evaluating, disciplining, replacing, and firing of individuals assigned to fill Client=s designated job positions subject to Section 6 below.
- **4.3**. Client and EPS may periodically review and evaluate performance and wages of employees to adjust wages and employee job functions and titles.
- 4.4. Client shall verify and sign approval of all EPS employee time submissions, to the extent such time submission affect wages payable.
- **4.5**. Client agrees that no money, securities, or negotiable instrument shall be transported or conveyed by any EPS employee in his/her duties for the Client.
- 5. <u>SUPERVISION</u>. Client and EPS may designate an on-site supervisor assigned to report on matters relating to services provided by EPS. If no on-site supervisor is designated, employees assigned to Client shall be under the supervision of Client who shall report all matters, including accidents and any other matters of urgency, to the EPS manager.
- 6. APPROVAL OF EMPLOYEES. EPS shall assign employees who are qualified to fill the job functions specified. EPS shall consult with Client in filling job positions and comply with the standards of the industry in California in providing employees. Any approval of any employee by the City, the City Manager or other representative of the City does not relieve EPS of responsibility in meeting the standard and complying with all applicable laws, codes and good business practices. EPS shall not be obligated to hire Client=s former employees. Client may reject an employee furnished for unsatisfactory performance. Upon notification of such rejection, a replacement will be provided as soon as possible for the vacancy.

7. OVERTIME, HOLIDAYS, VACATIONS, SICK LEAVE.

- **7.1**. As desired by Client, and if eligible, EPS employees will receive additional pay for working overtime, the cost of which will be paid by Client. EPS shall determine when overtime is to be paid as required by applicable state or federal institute, or as required by Client.
- 7.2. Employees meeting eligibility requirements as established by EPS may be eligible for paid holidays, vacation, and/or sick leave. If eligible, the employees will be paid at the normal rate of pay, the cost of which will be borne by the Client. If EPS employees work on a holiday, they will receive additional pay as required by all applicable governing regulatory authorities or as determined by
- 7.3. All provisions for paid holidays, vacation pay, and paid sick leave will be in accordance with the intent of this section unless they have been changed by the attachment hereto of Addendum A,@ in which case Addendum A shall form part of this Agreement.

8. SAFE WORK ENVIRONMENT.

- **8.1**. Client shall comply with all health and safety laws, regulations, ordinances, directives, and rules imposed by controlling federal, state, and local government authorities and will immediately report all employee accidents and injuries to EPS.
- 8.2. Client agrees to comply at its expense with any specific directives from EPS, EPS= workers= compensation carrier, or any government agency having jurisdiction over the work place, health, and safety. EPS shall provide Client with notice of any directives from its WCAB carrier or any agency of government issueing directives for a safe work environment within seven (7) days of receipt.
- 8.3. Client shall provide or ensure use of all personal protective equipment, as required by federal, state, or local law, regulation, directive, or rule or as deemed necessary by EPS or EPS= workers= compensation carrier.
- **8.4**. EPS= workers= compensation carrier and liability insurance carriers shall have the right to inspect Client's premises to ensure that EPS employees assigned to Client are not exposed to and unsafe work place. To the extent possible such inspection shall be scheduled at mutually convenient time.

EMPLOYMI) PARTNERING SER, TES, INC.

a California Corporation EMPLOYMENT SERVICES AGREEMENT

B. HOLD HARMLESS. Client agrees to indemnify, defend, and hold EPS harmless from and against any and all liability, expense (including court costs and attorney fees), and claims for damage of any nature whatsoever, whether known or unknown, arising out of the Agreement, as though expressly set forth and described herein, which EPS may incur, suffer, become liable for, or which may be asserted or claimed against EPS as a result of the sole negligent acts, errors, or omissions of Client including without limitation any violation of safe work environment conditions by Client as stated herein. Client's duty to defend indemnify, protect and hold harmless shall not include any claims or liabilities arising from the sole negligence or sole willful misconduct of EPS, its agents, officers or employees.

EPS agrees to indemnify, defend, and hold Client harmless from and against any and all liability, expense (including court costs and attorney fees), and claims for damage of any nature whatsoever, whether known or unknown, arising out of the Agreement, as though expressly set forth and described herein, which Client may incur, suffer, become liable for, or which may be asserted or claimed against Client as a result of the sole negligent acts, errors, or omissions of EPS or the employees of EPS assigned to Client. EPS's duty to defend indemnify, protect and hold harmless shall not include any claims or liabilities arising from the sole negligence or sole willful misconduct of Client, its agents, officers or employees.

- 10. SERVICE CHARGE AND REMEDIES. Should EPS not be paid when due, Client shall pay a monthly service charge of five percent (5%) per month on the unpaid balance.
- **MATERIAL BREACH OF AGREEMENT**. Agreement is immediately terminable at the option of an aggrieved Party in the event of a Material Breach. The following actions or failure to act either singularly or jointly shall constitute material breach of this Agreement:
 - 11.1. Failure to pay the fees when due:
- 11.2. Failure to comply with any directive regarding health and safety of EPS employees from workers= compensation carrier or any government agency within a reasonable time period after receiving notice:
 - 11.3. Usurping any right of EPS as employer of employees provided under this Agreement;
 - 11.4. Failure to provide and maintain insurance and hold-harmless remedies required by this Agreement.

12. MISCELLANEOUS.

- 12.1. Entire Agreement/Amendments. This Agreement and any attached Schedules, Addendums and Exhibits hereto constitute the final, complete and exclusive statement of the terms of this Agreement between the Parties and supersede all prior and contemporaneous understandings or agreements of the parties. Any amendment must be in writing signed by the parties. No party has been induced to enter into this Agreement, or in reliance on any representation or warranty outside those expressly set forth in this Agreement.
- 12.2. Survival/Severability Provisions. The provisions of this Agreement shall survive the termination, expiration or cancellation of this Agreement. If a court or arbitrator of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.
- 12.3. Assignments/Subcontracts. This Agreement shall not, nor shall any interest therein, be assignable or subcontracted, by either party without the written consent of both parties. Any such assignment or subcontract without such consent shall be void.
- 12.4. Right to Counsel/Drafting Party. Each party acknowledges that this Agreement is negotiated between equals in a commercial setting at arms length and the parties have had the agreement reviewed or have had the opportunity to have the agreement reviewed by counsel of their choice and that neither side shall be deemed the author of the agreement.
- 12.5. Full Understanding. This Agreement sets forth the full and complete understanding of the parties and any prior Agreement, written or oral, is without any force or effect.
- 12.6. Choice of Laws/Venue. This Agreement shall be deemed as entered in the State of California and interpreted and construed in accordance with the laws of the State of California without regard for conflict of laws. Any court action or arbitration or mediation brought in equity or law to recover damages or enforce the terms of this Agreement shall be brought in the Superior Court of the State of California, County of Imperial, or if diversity jurisdiction exists in the Central District or the United States District Court for the Southern District of California.
- 12.7. Attorney's Fees. If either party brings an action or proceeding against the other at law or to enjoin, enforce or declare its rights including the cancellation or recession of this Agreement, prevailing party shall be entitled to reasonable attorney's fees and costs incurred in connection therewith.
- **12.8**. **Binding Effect**. The terms and conditions of this Agreement shall continue to be binding upon both parties hereto, their successors and assigns. No amendment shall be binding unless in writing.

EMPLOYMED TPARTNERING SER .) TES, INC.

a California Corporation EMPLOYMENT SERVICES AGREEMENT

- 12.9. Notice. All notices required pursuant to this Agreement are to be served at the location as set forth under the signatures below. Any notice or demand required under this agreement shall be given in writing by personal delivery or by certified or registered mail with return receipt requested which shall be effective 48 hours after mailing. The notice of demand shall be addressed to the party=s address specified by that party. In matters which require immediate communication, telephone or facsimile communications shall be used with written follow- up confirmation.
- **12.10**. **Warranty of Authorization**. Each person who signs below, warrants that they have full authority to enter into and execute this Agreement on behalf of the entity named and on whose behalf such person purports to sign as the authorized representative.
- **12.11. Further Assurances**. Each Party shall execute and deliver such additional instruments and other documents and shall take such further actions as may be necessary or appropriate to effectuate, carry out and comply with all of the terms of this Agreement and the transactions contemplated hereby.
- **12.12. Waiver.** The waiver by any party to this Agreement of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of this Agreement by that party.
- **12.13**. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and together shall constitute one and the same agreement, with one counterpart being delivered to each party hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of this date:

Employment Partnering Services, Inc.

a California Corporation

Rv.

Robert Netreta/President/CEO

2200 Californià Court Calexido, CA. 92231

Phone:

(760) 357-4344

Facsimile: (760) 357-4300

City of Calexico

Print Name

Print Title

FIN or SS#

Attn: City Manager 608 Heber Avenue Calexico, CA 92231

Phone:

(760) 768-2180

Facsimile: (760) 357-5864

EPsCalexPropsl002.WPD

EMPLOYME. I PARTNERING SERV. JES, INC.

a California Corporation EMPLOYMENT SERVICES AGREEMENT

This Agreement, ("Agreement"), consisting of four pages, is effective on the date executed below and is made between EMPLOYMENT PARTNERING SERVICES, Inc., a California corporation, hereinafter referred to as "EPS", and the City of Calexico, a public municipality, herein referred to as "Client" or "City", collectively referred to as the [Parties] consists of the following terms and conditions pertaining to the acceptance by Client of temporary and/or leased employees furnished by EPS as set forth herein in Addendum "1":

1. <u>TERM OF AGREEMENT</u>. The initial term of this agreement shall be for <u>36</u> months. Thereafter, unless a new term is agreed to, this Agreement shall remain in effect from month to month, terminable on 30 days written notice by Client or EPS except in case of a material breach as described below.

2. FEES.

2.1. Client shall pay EPS fees as initially specified in this Agreement and as may subsequently be modified in writing and agreed to by the parties. The fees are initially specified as a designated amount per hour based on a fee schedule which may change from time to time to reflect changing economic conditions and which will vary in accordance with the classification of employee provided. The initial fees for the classification of employees specified below are as follow:

Job Classification Hourly Fee Overtime Holiday

<u>Clerical @ 45% above pay rate</u>

General Labor @ 50% above pay rate

See Schedule Attached as Addendum 2"

2.2. These fees include total gross employee remuneration, all employer-paid payroll taxes, workers compensation insurance, group life and medical and dental benefits if applicable, pension benefits if applicable, and all employers-paid payroll-related costs.

2.3. Unless otherwise agreed to in writing, fees shall be paid to EPS no later than the day the payroll is due, normally on Fridays of each week. EPS shall notify Client at least seven (7) days in advance if due date is otherwise. In no event shall fees be paid later than one week after the close of each pay period owed. Following this grace period of one week, non-payment shall be deemed a material breach and be subject to the services charges and remedies agreed to below. Habitual lateness in payments more than twice during the period of this Agreement shall be deemed a material breach.

2.4. Should Client wish to employ any EPS personnel as direct-hire employees on the Client(Is payroll prior to 520 hours following start date, a conversion fee of "employees pay x 520 hours" shall be paid to EPS. The conversion fee shall extend to any

extension of the term of this Agreement plus a period of twelve months and be based upon.

3. INSURANCE

3.1. Employment Partnering Services, shall furnish and keep in full force and affect during the term of this Agreement workers compensation insurance covering all employees filing Client job positions under the terms of this Agreement. EPS shall be a configuration of the configurat

cause a certificate of insurance to be issued naming Client a certificate holder.

3.2. If any EPS employee is to drive a vehicle of any kind for Client, Client shall furnish liability insurance. The policy shall insure against public liability for bodily injury and property damage with the minimum combined single limit (CSL) \$1,000,000 and uninsured motorist insurance with a minimum CSL of \$1,000,000. In states where no []%ault[] insurance laws apply, Personal Insurance Protection (PIP) or equivalent coverage shall apply. Client shall cause its insurance carrier to issue a certificate of insurance naming EPS as additional insured, allowing not less than 30 days advance notice of cancellation or material change.

3.3. Client agrees to keep in full force and effect at all times during the term of this Agreement a comprehensive general liability insurance policy in the minimum amount of \$2,000,000 CSL insuring Client against bodily injury and property damage liability cause by Clientlls premises, operations, completed operations, and/or products. Said policy shall also include blanket contractual liability and personal injury liability. Client shall provide EPS with a certificate of insurance evidencing such coverages, said certificate

to provide 30 days notice in the event of cancellation of coverage.

3.4. Each party hereby waives any claim in its favor against the other party by way of subrogation or otherwise which arises during the initial or extended term of this Agreement for any and all loss or damage to any of its property which loss or damage is covered by policies of insurance. To the maximum extent permitted by insurance policies which may be owned by EPS and Client, EPS or Client, for the benefit of each other, each party shall waive any and all right of subrogation which might otherwise exist.

3.5. If this is a contract to provide drivers for any vehicles owned by the Client, the Client specifically agrees by signing here to hold harmless and defend EPS against any and all claims which may be brought against EPS or naming a EPS employee as culpable in any accident or any other potential liability in which a EPS employee may be involved in performing any duties of driving for the Client.

EMPLOYMEL T PARTNERING SERVICES, INC.

a California Corporation EMPLOYMENT SERVICES AGREEMENT

4. <u>ADMINISTRATION</u>.

4.1. EPS and Client agree that EPS is an independent contractor, not an agent of Client, and the employees provided by EPS to Client are employees of EPS. EPS is responsible for payment of employer federal, state and local taxes, those various employee benefits which may be specified, and all required federal, state and local employee payments or withholding from wages. Employment Partnering Services will not be responsible for Clientils loss of profits, business goodwill, or consequential, special, or incidental damages.

4.2. EPS has sole responsibility for recruiting, hiring, training, evaluating, disciplining, replacing, and firing of individuals

assigned to fill Clientss designated job positions subject to Section 6 below.

4.3. Client and EPS may periodically review and evaluate performance and wages of employees to adjust wages and employee job functions and titles.

4.4. Client agrees that no money, securities, or negotiable instrument shall be transported or conveyed by any EPS employee

in his/her duties for the Client.

- 5. <u>SUPERVISION</u>. Client and EPS may designate an on-site supervisor assigned to report on matters relating to services provided by EPS. If no on-site supervisor is designated, employees assigned to Client shall be under the supervision of Client who shall report all matters, including accidents and any other matters of urgency, to the EPS manager.
- 6. APPROVAL OF EMPLOYEES. EPS shall assign employees who are qualified to fill the job functions specified. EPS shall consult with Client in filling job positions and comply with the standards of the industry in California in providing employees. Any approval of any employee by the City, the City Manager or other representative of the City does not relieve EPS of responsibility in meeting the standard and complying with all applicable laws, codes and good business practices. EPS shall not be obligated to hire Clientils former employees. Client may reject an employee furnished for unsatisfactory performance. Upon notification of such rejection, a replacement will be provided as soon as possible for the vacancy.

7. OVERTIME, HOLIDAYS, VACATIONS, SICK LEAVE.

- 7.1. As desired by Client, and if eligible, EPS employees will receive additional pay for working overtime, the cost of which will be paid by Client. EPS shall determine when overtime is to be paid as required by applicable state or federal institute, or as required by Client.
- 7.2. Employees meeting eligibility requirements as established by EPS may be eligible for paid holidays, vacation, and/or sick leave. If eligible, the employees will be paid at the normal rate of pay, the cost of which will be borne by the Client. If EPS employees work on a holiday, they will receive additional pay as required by all applicable governing regulatory authorities or as determined by EPS.
- 7.3. All provisions for paid holidays, vacation pay, and paid sick leave will be in accordance with the intent of this section unless they have been changed by the attachment hereto of Addendum A, in which case Addendum A shall form part of this Agreement.

8. SAFE WORK ENVIRONMENT.

- **8.1.** Client shall comply with all health and safety laws, regulations, ordinances, directives, and rules imposed by controlling federal, state, and local government authorities and will immediately report all employee accidents and injuries to EPS.
- 8.2. Client agrees to comply at its expense with any specific directives from EPS, EPS workers compensation carrier, or any government agency having jurisdiction over the work place, health, and safety. EPS shall provide Client with notice of any directives from its WCAB carrier or any agency of government issuing directives for a safe work environment within seven (7) days of receipt.
- 8.3. Client shall provide or ensure use of all personal protective equipment, as required by federal, state, or local law, regulation, directive, or rule or as deemed necessary by EPS or EPSI workersII compensation carrier.
- 8.4. EPS workers compensation carrier and liability insurance carriers shall have the right to inspect Clients premises to ensure that EPS employees assigned to Client are not exposed to and unsafe work place. To the extent possible such inspection shall be scheduled at mutually convenient time.
- 8.5. Sections 8.1 through 8.4 above apply only where the conditions or workplace are under the Client's control. If such premises or conditions are under the control of EPS, then EPS shall be responsible for compliance as specified above.
- 9. <u>HOLD HARMLESS</u>. Client agrees to indemnify, defend, and hold EPS harmless from and against any and all liability, expense (including court costs and attorney fees), and claims for damage of any nature whatsoever, whether known or unknown, arising out of services performed under this Agreement, as though expressly set forth and described herein, which EPS may incur, suffer, become liable for, or which may be asserted or claim against EPS as result of the acts, errors, or omissions of Client or EPS

EMPLOYME. T PARTNERING SERVICES, INC.

a California Corporation EMPLOYMENT SERVICES AGREEMENT

employees assigned to client including without limitation any violation of safe work environment conditions by Client as stated herein. Specifically, for contracts to provide drivers, Client agrees to hold harmless and defend EPS against any and all liability due to driver accident, errors or omissions of Client or EPS employees assigned to Client including without limitation any violation of safe work environment conditions by Client as stated herein. Specifically, for contracts to provide drivers, Client agrees to hold harmless and defend EPS against any and all liability due to driver accident, error, lack of judgment, or for whatever reasons whatsoever.

- 10. <u>SERVICE CHARGE AND REMEDIES</u>. Should EPS not be paid when due, Client shall pay a monthly service charge of five percent (5%) per month on the unpaid balance.
- 11. MATERIAL BREACH OF AGREEMENT. Agreement is immediately terminable at the option of an aggrieved Party in the event of a Material Breach. The following actions or failure to act either singularly or jointly shall constitute material breach of this Agreement:
 - 11.1. Failure to pay the fees when due;
- 11.2. Failure to comply with any directive regarding health and safety of EPS employees from workers' compensation carrier or any government agency within a reasonable time period after receiving notice;
 - 11.3. Usurping any right of EPS as employer of employees provided under this Agreement;
 - 11.4. Failure to provide and maintain insurance and hold-harmless remedles required by this Agreement; and
 - 11.5. Failure by EPS to provide employees under the terms of this Agreement.

12. MISCELLANEOUS.

- 12.1. Entire Agreement/Amendments. This Agreement and any attached Schedules, Addendums and Exhibits hereto constitute the final, complete and exclusive statement of the terms of this Agreement between the Parties and supersede all prior and contemporaneous understandings or agreements of the parties. Any amendment must be in writing signed by the parties. No party has been induced to enter into this Agreement, or in reliance on any representation or warranty outside those expressly set forth in this Agreement.
- 12.2. <u>Survivat/Severability Provisions</u>. The provisions of this Agreement shall survive the termination, expiration or cancellation of this Agreement. If a court or arbitrator of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.
- 12.3. <u>Assignments/Subcontracts</u>. This Agreement shall not, nor shall any interest therein, be assignable or subcontracted, by either party without the written consent of both parties. Any such assignment or subcontract without such consent shall be void.
- 12.4. Right to Counsel/Drafting Party. Each party acknowledges that this Agreement is negotiated between equals in a commercial setting at arms length and the parties have had the agreement reviewed or have had the opportunity to have the agreement reviewed by counsel of their choice and that neither side shall be deemed the author of the agreement.
- 12.5. <u>Full Understanding</u>. This Agreement sets forth the full and complete understanding of the parties and any prior Agreement, written or oral, is without any force or effect.
- 12.6. Choice of Laws/Venue. This Agreement shall be deemed as entered in the State of California and interpreted and construed in accordance with the laws of the State of California without regard for conflict of laws. Any court action or arbitration or mediation brought in equity or law to recover damages or enforce the terms of this Agreement shall be brought in the Superior Court of the State of California, County of Imperial, or if diversity jurisdiction exists in the Central District or the United States District Court for the Southern District of California.
- 12.7. Attorney's Fees. If either party brings an action or proceeding against the other at law or to enjoin, enforce or declare its rights including the cancellation or recession of this Agreement, prevailing party shall be entitled to reasonable attorney's fees and costs incurred in connection therewith.
- 12.8. <u>Binding Effect</u>. The terms and conditions of this Agreement shall continue to be binding upon both parties hereto, their successors and assigns. No amendment shall be binding unless in writing.
- 12.9. Notice. All notices required pursuant to this Agreement are to be served at the location as set forth under the signatures below. Any notice or demand required under this agreement shall be given in writing by personal delivery or by certified or registered mail with return receipt requested which shall be effective 48 hours after mailing. The notice of demand shall be addressed to the party's address specified by that party. In matters which require immediate communication, telephone or facsimile communications shall be used with written follow- up confirmation.
- 12.10. <u>Warranty of Authorization</u>. Each person who signs below, warrants that they have full authority to enter into and execute this Agreement on behalf of the entity named and on whose behalf such person purports to sign as the authorized representative.

EMPLOYME T PARTNERING SERV. JES, INC.

a California Corporation EMPLOYMENT SERVICES AGREEMENT

12.11. Further Assurances. Each Party shall execute and deliver such additional instruments and other documents and shall take such further actions as may be necessary or appropriate to effectuate, carry out and comply with all of the terms of this Agreement and the transactions contemplated hereby.

12.12. Walver. The walver by any party to this Agreement of any provision of this Agreement shall not operate or be

construed as a waiver of any subsequent breach of this Agreement by that party.

12.13. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and together shall constitute one and the same agreement, with one counterpart being delivered to each party hereto.

By:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of this date: 2/27/07

City of Calexico

Rălph Velez City Manager 608 Heber Avenue

Calexico, CA 92231

Employment/Partnering Services, Inc.

a California Corporation

Robert Welveral President/CEO 416 East Second Street

Suite 201

By:

Calexico, CA 92231

(760) 357-4344 Phone: Facsimile: (760) 357-4300 Phone: Facsimile: (760) 768-2180 (760) 357-5864



January 22, 2007

City of Calexico 608 Heber Avenue Calexico, Ca. 92231

CLASSIFICATION	PAY RATE	BILL RATE	- (45%)
1. Clerical, CSR	\$ 10.00	\$ 14.50	
2. General Labor	\$ 10.00	\$ 15.00	<u>(</u> 50%)

The above quoted Classifications include clerical, and general labor positions that perform tasks in accordance with City of Calexico standard job description.

These Bill Rates that are all-inclusive to the client include:

- 1. Employee Screening
- 2. Payroll Burdens FICA, FUTA, SDI/SUI
- 3. Workers Compensation Coverage
- 4. Unemployment Coverage
- 5. Timely Delivery of Weekly Payroll

EPS can assist the City of Calexico with employee Drug Testing, Legal Background Check, Credit Check, DMV Reports, Prevailing Wages.

All invoices will be forwarded weekly on Tuesdays for payroll delivery and payment on Friday. Client will not be charged for unsatisfactory work performed by new employee in the first two hours, and employee will be replaced.

City of Calexico will provide Certificate of Insurance for Commercial General Liability and Commercial Auto Liability for any/all drivers of Company vehicles as required by the State of California. EPS will include Certificate of Insurance for Workers Compensation.

Client shall comply with all health and safety laws, regulations, ordinances imposed by the State of California and will report all employee accidents and injuries to EPS. Client will assist and cooperate with written safety program for a safe working environment.

Robert Herrera

	•



608 Heber Avenue Calexico, CA 92231 Tel: 760.768.2110 Fax: 760.768.2103 www.calexico.ca.gov

CITY COUNCIL ACTION ADVISEMENT

DATE OF REGULAR MEETING:

June 5, 2007

On motion of Mayor Pro Tem Renison, seconded by Councilman Fuentes;

The City Council took the following action:

Approved a Budget Amendment Resolution authorizing the City Manager to sign an agreement between the City and Employment Partnering Services in order to fill vacant positions (fuel lineman, labor, etc) at the Utility Services Department.

Voting was follows:

AYES:

Fuentes, Ouzan, Pacheco, Renison, Durazo

NOES:

None

ABSTAINED:

None

ABSENT:

None

AGENDA ITEM NO. 10

OFFICE OF THE CITY CLERK LOURDES CORDOVA

ourdes andera

Viva Calexico!

Resolution 10-74

RESOLUTION NO. 10-74

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO, CALIFORNIA DECLARING A STATE OF EMERGENCY

WHEREAS, a magnitude 7.2 earthquake occurred just outside of Calexico on April 4, 2010 at approximately 3:40 p.m.; and

WHEREAS, since April 4, 2010, there have been 560 aftershocks ranging from 2.8 to 5.8 magnitude; and

WHEREAS, the City Manager, the Director of Emergency Services, declared an emergency on April 4, 2010 pursuant to the Calexico Municipal Code; and

WHEREAS, the City Council of Calexico found conditions of extreme peril to the safety of persons and property arose within the City of Calexico caused by the 7.2 magnitude earthquake that occurred on April 4, 2010; and

WHEREAS, on April 6, 2010, April 20, 2010, May 4, 2010, May 18, 2010, June 1, 2010, and June 15, 2010, the City Council ratified various actions taken by the City Manager related to the disaster; and

WHEREAS, Government Code section 8630 and Chapter 2.36 of the Calexico Municipal Code empower the City Council to proclaim the existence or threatened existence of a local emergency when the City of Calexico is affected or likely to be affected by a public calamity; and

WHEREAS, the City Council found that the aforesaid conditions of extreme peril warranted and necessitated the proclamation of the existence of a local emergency; and

WHEREAS, on April 4, 2010, the City Council met in an emergency session and declared a local emergency exists throughout the City; and

WHEREAS, on April 6, 2010, April 20, 2010, May 4, 2010, May 18, 2010, June 1, 2010, and June 15, 2010, the City Council declared the continued existence of a local emergency and conditions of extreme peril to the safety of persons and property within the City of Calexico, as a result of a 7.2 magnitude earthquake commencing on or about 3:40 p.m. on the 4th day of April, 2010 and the continuing aftershocks; and

WHEREAS, Governor Arnold Schwarzenegger declared a State of Emergency in Imperial County on April 5, 2010 related to the April 4, 2010 earthquake; and

WHEREAS, President Obama declared a Major Disaster on May 7, 2010 related to the April 4, 2010 earthquake; and

WHEREAS, the earthquake was close enough to the City that various structures and infrastructure have been severely damaged, including damage to wastewater and water infrastructure, and buildings in the downtown area; and

WHEREAS, the damages to City infrastructure include damages to the water plant storage tanks, clarifier, and various line breaks, and damage to the wastewater plant clarifiers, sludge drying beds, and various sewer line breaks, as well as damages to the airport and police department building; and

WHEREAS, the City closed city streets, sidewalks and businesses within the city in order to protect public health and safety; and

WHEREAS, all available City personnel and mutual aid resources were and have been used to respond to the earthquake-related issues to protect life, property and public safety; and

WHEREAS, with the damage to vital public infrastructure, the need for immediate and quick repairs, and the continuing aftershocks, the City suspended the notice and bidding requirements on April 6, 2010 so that steps could be taken quickly to perform repairs and to complete prevention activities throughout the City; and

WHEREAS, the City has currently expended 1.5 million dollars for damages to the City infrastructure and estimates the cost for damages to the City infrastructure caused by the earthquake to total \$5,351,023; and

WHEREAS, it is unknown at this time whether or not the City's insurance will cover any of the costs; and

WHEREAS, FEMA only reimburses 75% of the earthquake damage costs not covered by the City's earthquake insurance, and those reimbursable costs are limited to labor, equipment, materials and supplies, and direct administrative costs, with a time frame of approximately two years anticipated to receive all qualified cost reimbursements from FEMA; and

WHEREAS, CALEMA only reimburses 18.75% of the earthquake damage costs not covered by the City's earthquake insurance, and those reimbursable costs are limited to labor, equipment, materials and supplies, and direct administrative costs, with a time frame of approximately two years anticipated to receive all qualified cost reimbursements from Cal EMA; and

WHEREAS, the City will be required to pay the expenses related to the earthquake such as immediate response by public safety and City employees, and necessary expenditures, but will have to wait up to 48 months to receive the partial reimbursement as explained above; and

WHEREAS, the City has no ability to borrow money to pay these expenditures in the immediate future; and

WHEREAS, the sales tax revenues have continued to decline since FY 2006-07 when sales tax peaked at \$5.33 million, dropping to \$5.23 million in FY 2007-08, \$4.24 million in FY 2008-09, \$3.01 million estimated for FY 2009-10 for an overall decline of 36.7%; and

WHEREAS, the City anticipates sales tax will be at a level of \$3.37 million for Fiscal Year 2010-2011, which is still significantly lower than prior years and may be further negatively impacted by the closure of 10-15 % of the businesses in the downtown area, as a result of damage caused by the April 4, 2010 earthquake; and

WHEREAS, the property tax revenues have declined from an all time high of \$2.05 million in FY 2007-08 to \$1.61 million projected for FY 2010-11 or a 21.4% decrease over the 4 year period; and

WHEREAS, the City has seen a reduction in residential building permits in the past ten fiscal years from a high of 500 permits, to the current 0 permits; and

WHEREAS, the City lost annual Transportation Development Act (TDA) funding for local streets and roads in the approximate amount of \$450,000 beginning in FY 2009-10; and

WHEREAS, the City sold property to balance the budgets of FY 2008-09 and FY 2009-10 in the amount of \$1.19 million, allocated \$500,000 from General Fund Reserves for FY 2009-10 to balance the budget, was impacted by a loss of construction/development permit revenues, decrease in impact fee revenues shifting more costs to the General Fund, and increased salaries and benefits as a result of contracts with bargaining groups, insurances and retirement; and

WHEREAS, since 2008, the economy has faced the same challenges that are affecting the rest of the state and nation, in large part as a result of a slowing housing market, higher energy prices, and reduced consumer spending; and

WHEREAS, in Fiscal Year 2008-2009 the budget shortfall was \$1.7 million, which was balanced by the sale of City property in the amount of \$1,193,000 combined with a carry forward fund balance of \$250,000, a 10% Supplies & Services reduction, and 80-equivalent hours of furloughs for all employees; and

WHEREAS, cuts were implemented in FY 2008-09 were a 10% Supplies & Services reduction, 80-equivalent hours of furloughs for all employees, employee paid employee share of social security, and a medical insurance employee paid increment of 50% of the increased cost for January-June 2009; and

WHEREAS, the City Council declared a fiscal emergency on January 27, 2009 in Resolution No. 09-01; and

WHEREAS, in Fiscal Year 2009-2010, prior to the property tax securitization, the City faced a General Fund budget shortfall of \$3.5 million, and made numerous cuts to expenditures to balance the City budget; and

WHEREAS, the General Fund shortfall for FY 09-10 included department cuts of 15% and an additional overall cut of 6.6% to balance the budget. In addition, the City implemented furloughs for all bargaining groups in hours/dollars equivalent to one pay period; and

WHEREAS, given the current and expected revenue stream, the Finance Department projected shortfall between revenues and expenditures in Fiscal Year 2010-2011 would be \$5.4 million; and

WHEREAS, costs payable from the General Fund during Fiscal Year 2010-2011 are anticipated to increase by \$3.4 million over expenses budgeted for Fiscal 2009-2010; and

WHEREAS, the City previously sold certain land owned by the City to close the budget shortfall in prior fiscal years, however, such sales did not accomplish an ongoing source of revenue to pay for ongoing City expenditures; and

WHEREAS, the City's budget reserves for Fiscal Year 2010-2011 total \$720,000; and

WHEREAS, the City has insufficient cash reserves to cure the budget deficit for Fiscal Year 2010-2011 and pay for the expenditures caused by the earthquake; and

WHEREAS, the General Fund pays for essential public services such as police protection, fire protection, ambulance/paramedic services, and other public safety measures within the City; and

WHEREAS, it is necessary to take immediate action to close the budget shortfall and decrease expenses this fiscal year in order to continue to provide these core public services and to protect the public interest for this fiscal year; and

WHEREAS, the City faces an immediate cash crisis that would prevent payment of City obligations including payroll and other emergency services without additional resources; and

WHEREAS, this unprecedented and chronic fiscal crisis has drastically reduced the City's financial resources and has devastated its ability to provide for the basic needs of its citizens, thereby creating an imminent threat to the health, safety and well being of the City of Calexico and its citizens; and

WHEREAS, the Calexico Municipal Code Section 3.36.010 requires that the City Council adopt a balanced budget no later than the first regularly scheduled meeting in July; and

WHEREAS, under the California Constitution, the City Council has plenary authority to control the City's municipal affairs, including without limitation establishing and regulating wage and benefits of City employees; and

WHEREAS, Employer-Employee Relations for the City of Calexico (hereinafter, "City") are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act ("MMBA"), and Calexico City Council Resolution No. 2204, entitled:

"Resolution of the City Council of the City of Calexico Pertaining to Employer-Employee Relations for the City of Calexico," dated July 7, 1970, which is also referred to as the "Employer-Employee Relations Resolution of the City of Calexico" (hereinafter, "Resolution 2204"); and

WHEREAS, pursuant to Government Code section 3504.5, a state of emergency exists for the City of Calexico and immediate action must be taken to reduce costs City-wide; and

WHEREAS, the City Council possesses management rights including, but not limited to the following rights: to take all necessary actions during emergencies to protect the public and carry out the City's mission; to relieve employees from duty for lack of funds; to determine the methods and means by which government operations are to be conducted; and to direct and schedule employees; and

WHEREAS, such management rights are specified in the Implemented Last, Best and Final Offer between the City of Calexico and the Calexico Municipal Employees' Association ("CMEA") dated July 1, 2009 in Article 2; and

WHEREAS, such management rights are specified in the Implemented Last, Best and Final Offer between the City of Calexico and the Calexico Supervisors' Association (Supervisors) dated July 1, 2009 in Article 2; and

WHEREAS, such management rights are specified in the Memorandum of Understanding between the City of Calexico and the Calexico Firefighters' Association ("Firefighters") dated July 1, 2009-June 30, 2010 in Article 2; and

WHEREAS, the City's Negotiation Team and representatives from the bargaining units for CMEA and Supervisors held numerous "meet and confer" meetings to endeavor to reach agreement on Memorandums of Understanding for Fiscal Year 2010-2011; and

WHEREAS, the economic proposals by the City have not been accepted by CMEA and the Supervisors; and

WHEREAS, the City made requests to meet and confer with the Firefighters beginning in February for a successor Memorandum of Understanding for Fiscal Year 2010-2011, and presented its proposal to the bargaining unit without response until four days ago; and

WHEREAS, the City and the Certified Operators have reached a tentative agreement and signed a Letter of Intent on June 24, 2010, and the Certified Operators are submitting the Letter of Intent to its membership for ratification on July 6, 2010;

WHEREAS, as reflected in the accompanying staff report, and based on all of the relevant financial data and analyses, the City faces a severe and chronic fiscal crisis that jeopardizes the delivery of essential public services; and

WHEREAS, because the City's labor unions have not made sufficient economic concessions in connection with the upcoming 2010-2011 budget to date, the City will be forced to issue layoff notices to numerous City employees; and

WHEREAS, the City has no other reasonable or viable alternatives to this declaration and the City Council must act now to decrease expenses to balance the General Fund shortfall for 2010-2011; and

WHEREAS, the City remains fully committed to negotiating in good faith with its labor organizations in an effort to resolve and avert this fiscal crisis, and the City continues to invite its labor organizations to negotiate pursuant to the MMBA;

NOW, THEREFORE, the City Council of the City of Calexico does hereby resolve as follows:

- Section 1. The above listed recitals are true and correct.
- Section 2. The below listed emergency actions will take effect immediately upon adoption of this resolution:
 - 1. Freezing of all vacant positions
 - 2. Ten Percent (10%) Cuts resulting in \$1,252,424.00 in savings to the General Fund: SEIU-CMEA, Firefighters Association, Supervisors, Unrepresented, & Management as follows:
 - a. SEIU CMEA, Supervisors, Unrepresented, and Management: an equivalent amount of work furlough to accomplish savings indicated above.
 - b. Fire Fighters Association: an equivalent amount of work furlough to accomplish savings indicated above.
- Section 3. If the Letter of Intent between the City and the Certified Operators is ratified by the membership and brought to City Council for approval by July 20, 2010, the emergency actions of this resolution impacting wages and benefits will not apply to the Certified Operators bargaining unit. Otherwise, the emergency actions of this resolution and the change to the work schedule as specified hereafter will be implemented on the Certified Operators and take effect retroactive to the date this resolution is adopted by City Council. Change to work schedule: Any employees working a 4/10 schedule will change schedules to work a 9/80 schedule. All other employees' schedules shall remain the same. The provisions of this Section 3 only apply to the Certified Operators bargaining unit.

Section 4. The City Manager, or his designee, is directed to take necessary and appropriate measures to layoff Temporary, Probationary, Limited Term, Permanent Part-time, and Permanent Employees.

Section 5. The City Manager, or his designee, is directed to immediately meet and confer with the recognized employee organizations regarding these emergency actions related to wages, hours and other terms and conditions of employment.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calexico at a special meeting held on the 2nd day of July, 2010, by the following roll call vote:

ATTEST:		DAVID OUZAN, MAYOR
LOURDES CORDOVA, CIT	ΓY CLERK	
STATE OF CALIFORNIA COUNTY OF IMPERIAL CITY OF CALEXICO)) SS.)	

I, LOURDES CORDOVA, CITY CLERK OF THE CITY OF CALEXICO, DO HEREBY CERTIFY THAT THE ABOVE FOREGOING RESOLUTION NO. 2010-74 WAS DULY PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CALEXICO ON THIS 2ND DAY OF JULY, 2010 BY THE FOLLOWING VOTE, TO WIT:

AYES:

OUZAN, MORENO, ROMERO, HERMOSILLO

NOES:

CASTRO

ABSENT: NONE

LOURDES CORDOVA, CITY CLERK

Listing of Permanent Part-time positions

CITY OF CALEXICO CURRENT PART-TIME PERMANENT POSITIONS (Required 30 days notice)

FUND	DEPT	POSITION	DOE
101	2111	CUSTODIAN	9/28/2007
101	2120	PARKING/TRAFF OFFIC	11/7/2005
101	2120	PARKING CONTROL ASST	3/22/2006
101	2120	TRAFFIC CONTROLLER	1/13/2010
101	4110	LIBRARY ASSISTANT I	6/7/1993
101	4110	CHILDREN'S SERVICE COORDINATOR	3/3/2003
101	4110	CUSTODIAN	7/25/2005
101	4110	LIBRARY ASSISTANT I	8/24/2005
101	4110	LIBRARY ASSISTANT I	11/8/2007
101	4110	LIBRARY ASSISTANT I	11/8/2007
406	6121	HOUSING SPECIALIST	1/14/2009